

## Administration

Employee  
Responsibilities

## Patents

**POLICY:**

- .01 The Prime Contract between the University of California (UC) and the Department of Energy (DOE) governs the disposition of all rights, title, and interest in any invention conceived or reduced to practice in the performance of work under the Contract.
- .02 Laboratory employees, as a condition of employment, are required to report any possibly patentable device, process, or product that is invented or discovered during their Laboratory employment regardless of whether Laboratory resources or time is utilized. ✂

**DEFINITIONS:****Patentable Invention**

- .03 According to U.S. patent law, a patentable invention is "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvements thereof." To be considered new, the invention must be distinguishable in some manner from all inventions that went before. To be considered useful, the invention or discovery must obtain a useful result; thus, a chemical with no known use would not be patentable. A patent may not be granted on a mere idea or suggestion nor on the discovery of a law or process of nature.

**Inventor**

- .04 Generally, inventors are persons who have contributed to the conception of an invention. The conception must be complete and operative, in sufficient detail to enable a skilled person to reduce the concept to practice without substantial further research or exercise of inventive skill. Contributions only to producing an operable or commercial embodiment of an invention may not be inventive contributions.

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**RESPONSIBILITIES:**

**Employees**

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**Employees must**

Promptly report to the Intellectual Property Office (IP) of Laboratory Counsel (LC) every possibly patentable device, process, or product that they invent or discover during their Laboratory employment. See [.07](#).

Submit to LC/IP any written material that may disclose an invention before disseminating such material to persons outside the Laboratory. See [.08](#).

Execute all documents necessary to file patent applications on Laboratory inventions and to convey ownership, where appropriate.

**Intellectual Property Office (LC/IP)**

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**LC/IP's patent responsibilities include**

Reporting to DOE and the University all inventions that arise under the performance of the Prime Contract with the Laboratory and recommending to DOE when to seek patent protection.

Preparing and prosecuting patent applications before the U.S. Patent and Trademark Office.

Administering the Laboratory's Inventor Awards Program.

**REPORTING OF INVENTIONS:**

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Inventions made at the Laboratory must be reported to DOE within 6 months of conception or reduction to practice. When a Laboratory employee recognizes that an invention may have been made, the employee must immediately send a written description of the invention to LC/IP. Contact LC/IP for assistance in determining what information to report.

**IP REVIEW OF MATERIAL THAT MAY DISCLOSE INVENTIONS:**

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Public dissemination of a written disclosure of an invention may result in loss of patent rights if a patent application is not filed in a timely manner. Therefore, LC/IP must review written material that may disclose an invention before its dissemination to persons outside the integrated contractor

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network. Types of written material that may result in public disclosure of inventions include, but are not limited to,

Articles prepared for technical journals.

Handouts or preprints made available to participants at meetings, oral presentations, or poster sessions.

Summaries or minutes of the formal proceedings of conferences.

Laboratory reports distributed to the National Technical Information Service.

Written material disclosed to personnel outside the Laboratory during informal discussions.

### **NON-LABORATORY INVENTIONS:**

- .09 A Laboratory employee may conceive a patentable invention that is outside the scope of his or her Laboratory employment. In this case too, the employee must notify LC/IP of the invention. LC/IP will verify that neither DOE nor the University has rights in the invention.

### **WAIVER OF DOE RIGHTS:**

#### **Petition for Rights**

- .10 The Laboratory, on behalf of the University, may petition DOE for rights in an invention or may elect title to an invention according to the Prime Contract.

#### **Time Limit for Petition**

- .11 The University must submit a petition for patent rights to DOE no later than 9 months after conception or first actual reduction to practice, whichever occurs first.

#### **Approval of Petitions**

- .12 In response to a University petition, the DOE Secretary or designee may waive DOE rights to an invention if it can be shown that the waiver will serve the best interest of the U.S. and the general public. The prime objectives of the waiver process are to

Make the benefits of energy research and development available to the public in the shortest practical time.

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Promote commercial utilization of such inventions.

Foster competition.

### ROYALTIES FROM INVENTIONS:

- .13 No royalties are paid to inventors whose inventions are assigned to DOE. & However, if patent rights are granted to the University, UC will pay annually to the named inventor, or to the inventor's heirs, successors, or assigns,

Fifty percent of the first \$100,000 of cumulative net royalties and fees per invention received by UC,

Thirty-five percent of the next \$400,000 of cumulative net royalties and fees per invention received by UC, and

Twenty percent of all additional cumulative net royalties and fees per invention received by UC.

**NOTE:** Net royalties and fees are gross royalties and fees less the cost of patenting, protecting, and preserving patent rights; maintaining patents; licensing patent and related property rights; and such other costs, taxes, or reimbursements as may be necessary or required by law.

When there are two or more inventors, each inventor shares equally in the inventor's share of royalties.

- .14 Distribution of the inventor's share will be made annually in February from the amount received during the penultimate calendar year. In the event of any actual or imminent litigation or of any other action to protect patent rights, UC may withhold distribution and impound royalties until resolution of the matter.

- .15 In disposing of any net income received from patents, UC will give first consideration to the support of research.

### AWARDS:

- .16 See *Inventor Awards Program* in [AM 619](#).

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**DISCIPLINE:**

- .17 Failure to comply with provisions relating to patents may result in disciplinary action.